



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 8, 2007

Mike and Sandra Sprunger
P.O. Box 38054
Leamington, Utah 84638

Subject: Reclamation Surety, Mike and Sandra Sprunger, ML
47821&46956/Cubical 2, S0230057, Juab County, Utah

Dear Mr. and Mrs. Sprunger:

This letter is in response to your January 12, 2007 letter to the Division of Oil, Gas and Mining, wherein you clarified your disturbance associated with the above-referenced mine sites. It is clear from the information you provided and from information in phone conversations, that the total disturbance at the three sites is less than one acre (approximately 0.8 acre) and we are willing to concede that you should only have to bond for one acre (we do round to the nearest whole acre). No amendment to the Notice of Intent is necessary at this time.

While you did supply a cost estimate from Mark Johnson for completing reclamation at these sites, we are unable to accept it because of its lack of detail and the fact that it is not verifiable by the Division. As we discussed in previous letters and over the phone, our average per acre estimate for reclaiming small mine disturbances is currently set at \$5400 for the first acre. Granted the Division's estimate includes a significant mobilization cost for the first acre, but this is considered to be reasonable especially since you have 3 distinct sites associated with this mine. In your letter you stated that "excessive bonding is not fair" and we agree, therefore we have taken great efforts to ensure that the cost estimates we provide are not excessive but in line with other mines throughout the State of Utah.

Right now the amount of surety/bond that is currently posted (\$4,164.36) is a little shy of what the Division needs to have. Please provide the additional \$1235.64 to bring the total of your reclamation surety to \$5,400. This must be completed by April 30, 2007. Please phone Beth Ericksen at (801) 538-5318 or email bethericksen@utah.gov to obtain the necessary paperwork.

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If you have questions or concerns regarding this letter, please contact me at (801) 538-5325 or Tom Munson at 538-5321. Thank you for your help in completing this very important regulatory requirement.

Sincerely,

A handwritten signature in black ink, appearing to read "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent.

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:pb

cc: Tom Munson
Beth Ericksen

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